

Data Capture Project	
Agency Requesting The Project:	
Revenue Department	
Business Unit Requesting The Project:	
Processing	
Sponsor Of the Project:	
David Briant	
Sponsor Title:	
Director	
Sponsor Phone Number:	Extension:
(602) 716-6918	
Sponsor Email Address:	
Dbriant@azdor.gov	

Has a Project Request been completed for this PIJ?	<input type="checkbox"/>
	<input checked="" type="checkbox"/> Y

<p>What is the operational issue or business need that the Agency is trying to solve? (i.e. ...current process is manual, which increases resource time/costs to the State/Agency, and leads to errors...)</p> <p>Problem Statement:</p> <p>ADOR is awash in paper documents and suffers from the inability to efficiently route, share, track, retrieve, and archive document-based content and information. In particular, the ADOR work force does not have access to adequate document management services that would relieve the burden of processing and transporting paper documents. Managing paper and unstructured content at the ADOR is largely manual, time consuming, and inefficient. Temporary contract resources required to manually process paper tax returns represents a major expense to AZ taxpayers.</p>
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<p>How will solving this issue or addressing this need benefit the State or the Agency?</p> <p>Solution:</p> <p>In alignment with Goal Council 5 and Arizona Management priorities of fiscal responsibility, ADOR is consolidating Processing Services from the leased Washington Park location to the Monroe location, eliminating a major facilities expense. The Data Capture Project enables and enhances this consolidation by greatly reducing the seasonal contract labor requirements, facilities footprint and archive paper storage space expenses.</p> <p>This also aligns ADOR with Department and State strategic plans to implement an Electronic Document Management system (EDMS).</p>
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Describe the proposed solution to this business need:

See attachment: Data Capture and Imaging Phases 2017-05-19

Has the existing technology environment, into which the proposed solution will be implemented, been documented? Y

Indicate where that documentation can be found, or provide the information under separate cover before the meeting, otherwise describe below:

See attached Data Capture RV Server List

Have the business requirements been gathered, along with any technology requirements that have been identified? Y

Are you submitting this as a Pre-PIJ in order to issue a Request for Proposal (RFP) to evaluate options and select a solution that meets the project requirements? N

Will you be completing an assessment/Pilot/RFP phase, i.e., an evaluation by a vendor, third party or your agency, of the current state, needs, and desired future state, in order to determine the cost, effort, approach (RFP or otherwise) and/or feasibility of a project before submitting the full PIJ? N

Does the project fall into one of the following categories:
- hardware technology refresh/expansion, e.g., replacement/more laptops, radios, peripherals, etc.?
 N

Is the proposed procurement the result of an RFP solicitation process? N

Is this project referenced in your agency's Strategic IT Plan? Y

Does your agency have a formal project methodology in place? Y

Describe the high level make-up and roles/responsibilities of the Agency, Vendor(s), and other third parties below: (i.e. ...agency will do...vendor will do...other third parties will do..)

Agency will develop API's required to receive images, transfer between EDMS and Scanning software, and into TAS

Will a PM be assigned to manage the project, regardless of whether internal or vendor provided? Y

If the PM is credentialed, e.g., PMP, CPM, State certification etc., please provide certification information below:
PMP certified

Is a project plan available that reflects the estimated start date and end date of the project, and the supporting milestones for the project? Y

Have steps needed to roll-out to all impacted parties been incorporated, e.g. communications, planned outages, deployment plan? N

Will any physical infrastructure improvements be required prior to the implementation of the proposed solution. e.g., building reconstruction, cabling, etc.? Y

Does the PIJ include the facilities costs associated with construction? N

Does the project plan reflect the timeline associated with completing the construction? Y

Are there any known resource availability conflicts that could impact the project? N

Does your schedule have dependencies on any other projects or procurements? N

Will the implementation involve major end user view or functionality changes? Y

Will the proposed solution result in a change to a public-facing application or system? N

Is a detailed project budget reflecting all of the up-front/startup costs to implement the project available, e.g., hardware, initial software licenses, training, taxes, P&OS, etc.? Y

Have the ongoing support costs for sustaining the proposed solution over a 5-year lifecycle, once the project is complete, been determined, e.g., ongoing vendor hosting costs, annual maintenance and support not acquired upfront, etc.? Y

Have all required funding sources for the project and ongoing support costs been identified? Y

Will the funding for this project expire on a specific date, regardless of project timelines? N

Will the funding allocated for this project include any contingency, in the event of cost over-runs or potential changes in scope? Y

Please indicate whether a statewide enterprise solution will be used or select the primary reason for not choosing an enterprise solution:
 No Statewide Enterprise Solution Available

Will the technology and all required services be acquired off existing State contract(s)? Y

Will any software be acquired through the current State value-added reseller contract? Y

Describe how the software was selected below:
 See attached Data Capture RFI Executive Summary

Does the project involve any technology that is new and/or unfamiliar to your agency, e.g., software tool never used before, virtualized server environment? Y

Does your agency have experience with the vendor (if known)? Y

Does the vendor (if known) have professional experience with similar projects? Y

Does the project involve any coordination across multiple vendors? Y

Does this project require multiple system interfaces, e.g., APIs, data exchange with other external application systems/agencies or other internal systems/divisions? Y

Have any compatibility issues been identified between the proposed solution and the existing environment, e.g., upgrade to server needed before new COTS solution can be installed? N

Will a migration/conversion step be required, i.e., data extract, transformation and load? N

Is this replacing an existing solution? N

Describe how the agency determined the quantities reflected in the PIJ, e.g., number of hours of P&OS, disk capacity required, number of licenses, etc. for the proposed solution?

Disk capacity based on PDF size calculations & Historical processing volumes

Does the proposed solution and associated costs reflect any assumptions regarding projected growth, e.g., more users over time, increases in the amount of data to be stored over 5 years?

Y

Does the proposed solution and associated costs include failover and disaster recovery contingencies?

Y

Will the vendor need to configure the proposed solution for use by your agency?

Y

Are the costs associated with that configuration included in the PIJ financials?

Y

Will any application development or customization of the proposed solution be required for the agency to use the product in the current/planned technology environment, e.g., a COTS application that will require custom programming, an agency application that will be entirely custom developed?

N

Have you determined that this project is in compliance with all applicable statutes, regulations, policies, standards, and procedures, including those for network, security, platform, software/application, and/or data/information found at <https://aset.az.gov/resources/psp>?

Y

Are there other high risk project issues that have not been identified as part of this PIJ?

N

Will the proposed solution be vendor-hosted?

Y

Please select from the following vendor-hosted options:

Commercial Data Center

Describe the rationale for selecting the vendor-hosted option below:
Recommendation of DOA and State Strategic Technology alignment

Has the agency been able to confirm the long-term viability of the vendor-hosted environment?	<input type="checkbox"/> Y
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Has the agency addressed contract termination contingencies, e.g., solution ownership, data ownership, application portability, migration plans upon contract/support termination?	<input type="checkbox"/> N
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Has a Conceptual Design / Network Diagram been provided and reviewed by ASET-SPR?	<input type="checkbox"/> Y
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Has the spreadsheet located at https://aset.az.gov/arizona-baseline-security-controls excel already been completed by the vendor and approved by ASET-SPR?	<input type="checkbox"/> Y
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Will the proposed solution be hosted on-premise in a state agency?	<input type="checkbox"/> N
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Will any PII, PHI, or other Protected Information as defined in the 8110 Statewide Data Classification Policy be transmitted, stored, or processed with this project?	<input type="checkbox"/> Y
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Describe below what security infrastructure/controls are/will be put in place to safeguard this data:
NIST and IRS Pub 1075 standards

What help could ASET offer to increase the probability of project success?
AWS support

Areas of Impact

1 Application Systems

- Application Enhancements
- Internal Use Web Application
- Mobile Application Development
- Arizona Enterprise Solution Platform (AESP) based Application
- New Application Development
- az.gov Web Portal Application
- Other: (Please specify below)

2 Database Systems

- Data Warehouse/Mart
- Database Consolidation/Migration/Extract Transform and Load Data
- Database Products and Tools:
 - Oracle
 - MySQL
 - DB2
 - MS SQL Server
- Other: (Please specify below)

3 Software

- COTS Application Customization
- COTS Application Acquisition
- Mainframe Systems Software
- Open Source
- PC/LAN Systems Software
- Virtualization
- Other: (Please specify below)

4 Hardware

- LAN/WAN Infrastructure
- Mainframe Infrastructure
- Storage Area Network Devices
- Public Safety Radios, Systems
- PC Purchases, Peripherals
- Tape Libraries/Silos
- UPS Devices
- Other: (Please specify below)

5 Hosted Solution (Cloud Implementation)

- State Data Center
- Commercially Hosted:
 - Amazon (AWS) GovCloud
 - Century Link - I/O Data Center
 - AWS (non-government) cloud
 - Microsoft Azure
- Vendor Hosted
- Other: (Please explain below)

6 Security

- Encryption
- Security Appliances:
 - Firewall
 - Intrusion Detection System (IDS)
 - Intrusion Prevention System (IPS)
 - SecurityControls/Systems - Other: (Please specify below)
- Physical Controls (Badging Systems, Iris Scanners, Other: (Please specify below))
- Other: (Please specify below)

7 Telecommunications

- Network Communications Infrastructure
- Telephone Upgrade-Business-Specific
- Cabling
- Wireless Access Points
- Telephony Upgrade-EIC Solution
- Trenching
- Videoconferencing
- Other: (Please specify below)

8 Enterprise Solutions

- Business Intelligence System
- E-Signatures
- Geographic Information Systems
- Other Imaging - Photos, Fingerprints, etc.
- Document Management/Imaging
- eLicensing
- Management Systems - Financial, Grants, Asset
- Disaster Recovery/Business Continuity
- Other: (Please specify below)

9 Contract Services/Procurement

- Contracted Project Management
- Contractor Support Services
- Install/Configuration Contract Services
- State Contract
- Vendor provided
- Procurement (RFP, IFB, DPR, etc.)
- Other: (Please specify below)

Summary of PIJ Financials

Total of Development Cost:	\$ 1,323,980
Total of Operational Cost:	\$ 3,318,347
Total Costs:	\$ 4,642,327

Project Cost - Itemized

Item	Description	Category	Development (Implementation) or Operational (Ongoing)	Fiscal Year Spend	Qty or Hours	Unit Cost	Extended Cost	Enter Tax Rate if Applicable (Generally 8.6% for PHX)	Tax	Total Cost
1	AWS Effective Annual Cost Per (3yR)(py) - 50TB	Hardware	Development	1	1	\$533,091.00	\$533,091	8.60%	\$45,846	\$578,937
2	DocuWare L & M	License & Maint Fees	Development	1	1	\$55,508.00	\$55,508	8.60%	\$4,774	\$60,282
3	Kofax L & M	License & Maint Fees	Development	1	1	\$363,583.00	\$363,583	8.60%	\$31,268	\$394,851
4	Docuware Services (includes training)	Prof & Outside Services	Development	1	1	\$41,030.00	\$41,030		\$0	\$41,030
5	Kofax Services	Prof & Outside Services	Development	1	1	\$29,000.00	\$29,000		\$0	\$29,000
6	WWT Services	Prof & Outside Services	Development	1	1	\$54,400.00	\$54,400		\$0	\$54,400
7	Kofax Training	Prof & Outside Services	Development	1	1	\$50,000.00	\$50,000		\$0	\$50,000
8	AWS Training	Prof & Outside Services	Development	1	1	\$50,000.00	\$50,000		\$0	\$50,000
9	Contingency	Other	Development	1	1	\$50,000.00	\$50,000		\$0	\$50,000
10	Ricoh Services	Prof & Outside Services	Development	1	1	\$15,480.00	\$15,480		\$0	\$15,480
11	AWS Effective Annual Cost Per (3yR)(py) - 100TB	Hardware	Operational	2	1	\$594,531.00	\$594,531	8.60%	\$51,130	\$645,661
12	DocuWare & Kofax L & M	License & Maint Fees	Operational	FY2-5	1	\$77,201.00	\$77,201	8.60%	\$6,639	\$335,361
13	AWS Effective Annual Cost Per (3yR)(py) - 150TB	Hardware	Operational	3	1	\$655,971.00	\$655,971	8.60%	\$56,414	\$712,385
14	AWS Effective Annual Cost Per (3yR)(py) - 200TB	Hardware	Operational	4	1	\$717,411.00	\$717,411	8.60%	\$61,697	\$779,108
15	AWS Effective Annual Cost Per (3yR)(py) - 250TB	Hardware	Operational	5	1	\$778,851.00	\$778,851	8.60%	\$66,981	\$845,832
16		License & Maint Fees	Operational	FY2-5	1					
17		License & Maint Fees	Operational	FY2-5	1					
18		Prof & Outside Services	Operational	FY2-5	1					
									Total Development Cost	\$1,323,980
									Total Operational Cost	\$3,318,347
									Total Itemization of Costs:	\$4,642,327

Summary of Funding Sources			
Fund Type	% of Project	\$ of Project (Available)	\$ of Project (To Be Requested)
Base Budget	100.00%	\$4,642,326.50	
APF			
Other Appropriated			
Federal			
Other Non-Appropriated			

PIJ Development & Operational Cost Summary

Description	Type	Year 1	Year 2	Year 3	Year 4	Year 5	Extended Cost
Professional & Outside Services	Development	\$239,910	\$0	\$0	\$0	\$0	\$239,910
	Operational	\$0	\$0	\$0	\$0	\$0	\$0
Hardware	Development	\$578,937	\$0	\$0	\$0	\$0	\$578,937
	Operational	\$0	\$645,661	\$712,385	\$779,108	\$845,832	\$2,982,986
Software	Development	\$0	\$0	\$0	\$0	\$0	\$0
	Operational	\$0	\$0	\$0	\$0	\$0	\$0
Communications	Development	\$0	\$0	\$0	\$0	\$0	\$0
	Operational	\$0	\$0	\$0	\$0	\$0	\$0
Facilities	Development	\$0	\$0	\$0	\$0	\$0	\$0
	Operational	\$0	\$0	\$0	\$0	\$0	\$0
Licensing & Maintenance Fees	Development	\$455,133	\$0	\$0	\$0	\$0	\$455,133
	Operational	\$0	\$83,840	\$83,840	\$83,840	\$83,840	\$335,361
Other	Development	\$50,000	\$0	\$0	\$0	\$0	\$50,000
	Operational	\$0	\$0	\$0	\$0	\$0	\$0
Development Cost:		\$1,323,980	\$0	\$0	\$0	\$0	\$1,323,980
Operational Cost:		\$0	\$729,501	\$796,225	\$862,949	\$929,672	\$3,318,347
Total Cost:							\$4,642,327

PIJ Review Checklist

Role	Name	Email Address	Date Reviewed
Agency Project Sponsor*	David Briant	dbriant@azdor.gov	05/19/17
Agency Chief Information Officer (CIO) (or designee)*	Sandip Dholakia	Sdholaki@azdor.gov	05/19/17
Agency Information Security Officer (ISO) (or designee)*	Johnathon Edwards	Jedwards@azdor.gov	05/19/17
ADOA-ASET Engagement Manager *	David Tischler	david.tischler@azdoa.gov	
ADOA-ASET Security, Privacy & Risk (ASET-SPR) representative	Tim Guerriero	tim.guerriero@azdoa.gov	
Agency CPO or State Procurement Office (SPO) representative	Joel Munter	joel.munter@azdoa.gov	
Others to Review (if applicable):			
Agency Stakeholder	Derek Beck	Dbeck@azdor.gov	05/19/17

* Required Attendee

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x	Has the value of the IT project to the public and the State been identified?
x	Does the proposed solution address the stated problem or situation?
x	Has the budget unit demonstrated competency to carry out the project successfully?
x	Have all applicable questions in the PIJ been addressed?
x	Have the Areas of Impact associated with the project been identified?
x	Is sufficient sponsorship and support by budget unit leadership evidenced in the meeting?
x	Has the compatibility of the proposed solution with other budget unit solutions been addressed?
x	Has a reasonable Project Plan been provided?
x	Has the compliance of the proposed solution with all applicable statewide standards been confirmed?
x	Have any potential risks or issues associated with the project or the proposed solution been identified and appropriately addressed to minimize unintended consequences?
x	Have the cost estimates for the project been vetted for accuracy?
x	Have the PIJ Financials been completed?
x	Have any/all of the following startup costs to implement the project been included under Development in the financial tables, if applicable - tax; shipping; upfront maintenance and support; professional services (P&OS); ancillary software to run on equipment; ancillary hardware to install equipment, e.g., cables; other associated costs, e.g., training, travel, documentation, etc.?
x	Have any/all of the following ongoing/5-year support costs, once the project is implemented, been included under Operational in the financial tables, if applicable - ongoing vendor hosting costs, including any projected increase over time; annual maintenance and support not acquired upfront; extended costs after warranty expiration; P&OS commitments beyond implementation?
x	Have you confirmed that no Full Time Employee (FTE) related costs have been included in the project costs?
x	Have quotes been provided for all itemized costs in the PIJ, e.g., professional services, hardware, software, licensing, etc.?
x	Do the quotes match the itemized list and only reflect those items and costs (within 5%) associated with this project?
	If not, describe below how the costs in the PIJ differ from the quotes, e.g., if quantities are different, costs are comprised of portions of multiple quotes provided, etc.:

If any of the above are not complete, the PIJ cannot be approved at this time.....

PIJ Disposition

Approved

Approved with conditions

Not Approved

Strategic Program Manager Analysis

Project Background:

The Arizona Department of Revenue currently operates an additional facility, Washington Park, beyond their main headquarters on Monroe, Washington Park is where DOR opens, sorts, and bundles paper tax returns, then send them out for digitization. DOR is seeking to close that facility by outsourcing the mail processing to a 3rd party vendor who will open, sort, and scan the mail into digital format, implementing an enterprise document management system, and leveraging an OCR component that will pre-populate the state tax accounting system.

Business Solution Justification:

By closing the additional facility, the Department of Revenue will save over \$1 million per year in operating expenses at Washington Park, and the document scanning, retrieval, and pre-population of TAZ data will speed up payment processing times, resulting in faster collection of revenue on TPT-EZ returns.

Vendor Selection:

The Department of Revenue previously issued an RFI to better understand the enterprise document management marketplace, and then selected vendor based upon the responses received.

Implementation Methodology:

The Department of Revenue has assigned a Project Manager to this project, and has proper internal resourcing to support the project. DOR will be reliant, of course, on their vendors delivering the systems and solutions that they have agreed to in their Statement of Work, which is a risk for any project that is contracted to a vendor.

Budget or Funding Considerations:

The Department of Revenue has identified that they have funding available for their pieces of the project, and that they have agreement from the State Treasury to fund and pay for for the mail processing piece of the solution.

Authorized Approver:

Approval Date:

Condition (If Applicable)

Should the final costs exceed the estimated costs by 10% or more, or should there be significant changes to the proposed technology, scope of work or implementation schedule, the Agency must amend the PIJ to reflect the changes and submit it to ADOA-ASET for review and approval prior to further expenditure of funds.

Should the project costs exceed \$5 million, the Agency must immediately halt work on the project, receive an independent validation and verification (IV&V), and submit it to ADOA-ASET for review and approval prior to further expenditure of funds or work resuming on the project.

The State Procurement Office must provide Approval of this project.

The State Security, Privacy, and Risk office must provide Approval of this project.